

TESTIMONY to the Committee on Public Health

February 24, 2016

Re: Support for HB-5211 – An Act Concerning Certificates of Need

Ellen Andrews, PhD, Executive Director

Thank you for the opportunity to share our support for this important legislation. We at the CT Health Policy Project have worked for fifteen years to expand access to quality, affordable health care for every state resident. No one supports effective health care reform more than consumer advocates.

The pace of hospital consolidations in Connecticut is dizzying. If the five pending mergers are approved, over 80% of inpatients in our state will receive care from a shrinking number of growing multi-hospital systems¹. The anti-competitive impact on prices for care is deeply concerning². Health care is already unaffordable for too many state residents and consumes a growing share of the state budget. We are very close to a tipping point beyond which costs will be uncontrollable and consumer choice will disappear. Other states experiencing consolidation have found it impossible to unravel once approved.

Windham Hospital's merger last year with the Hartford Health Care System provides the most recent example of harm from hospital consolidation. Despite promises that no services would be lost in the merger, the Health Care Cabinet this month heard moving testimony about the inability to access care since the merger. One woman suffering a minor stroke had to be airlifted to Hartford because there is no longer a neurologist available in Windham. Unfortunately, despite warnings from providers and community leaders, the state's process to protect consumers failed the Windham community.

The state's regulatory authority to protect consumers and the affordability of care resides in the Certificate of Need Process at the Office of Health Care Access within the Department of Public Health. In this quickly changing, complex environment, the CON process needs updating to protect consumers from harm and preserve consumer access to care and a competitive market. This bill provides important updates including consideration of the health needs of the affected community and the impact of the merger, as well as opening the CON process to allow community input.

Thank you for your time and your commitment to the health of every Connecticut resident. I urge your support for HB-5211.

¹ Hospital Market Concentration in Connecticut: The Impact of Yale-New Haven Health System's Expansion, December 2015.

² Z Cooper, et. al., The Price Ain't Right? Hospital Prices and Health Spending on the Privately Insured, National Bureau of Economic Research, December 2015.